

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

March 26, 2021

8:05 a.m.

DRAFT

MEMBERS PRESENT

Representative Zack Fields, Co-Chair
Representative Ivy Spohnholz, Co-Chair
Representative Calvin Schrage
Representative Liz Snyder
Representative David Nelson
Representative James Kaufman
Representative Ken McCarty

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARING(S) :

Board of Certified Direct Entry Midwives

Rachel Pugh - Eagle River
Bethel Belisle - Anchorage
Hannah St. George - Fairbanks

- HEARD AND HELD

Board of Barbers And Hairdressers

Michelle McMullin - Anchorage
Holly Andrews - Wasilla
Connie Dougherty - Anchorage
Khitsana Sypakanphay - Anchorage
Tina Taylor - Soldotna

- HEARD AND HELD

Mae Hayes - Anchorage

- SCHEDULED BUT NOT HEARD

Board of Certified Real Estate Appraisers

William "Leon" McKean - Anchorage
Valery Kudryn - Wasilla

- HEARD AND HELD

Alcoholic Beverage Control Board

Dana Wakukiewicz - Anchorage
John Cox - Anchor Point
Diane Thompson - Anchorage

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

RACHEL PUGH, Appointee
Eagle River, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Certified Direct Entry Midwives.

BETHEL BELISLE, Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Certified Direct Entry Midwives.

HANNAH ST. GEORGE, Appointee
Fairbanks, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Certified Direct Entry Midwives.

JESSICA JOHNSTON, Member
Board of Midwives
Anchorage, Alaska

POSITION STATEMENT: Testified in support on the appointment of Rachel Pugh and Bethel Belisle to the Board of Certified Direct Entry Midwives.

MICHELLE MCMULLIN, Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Barbers and Hairdressers.

HOLLY ANDREWS, Appointee
Wasilla, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Barbers and Hairdressers.

CONNIE DOUGHERTY, Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Barbers and Hairdressers.

KHITSANA SYPAKANPHAY, Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Barbers and Hairdressers.

TINA TAYLOR, Appointee
Soldotna, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Barbers and Hairdressers.

WILLIAM "LEON" MCKEAN, Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Certified Real Estate Appraisers.

VALERY KUDRYN, Appointee
Wasilla, Alaska

POSITION STATEMENT: Spoke as an appointee to the Board of Certified Real Estate Appraisers.

DANA WAKUKIEWICZ, Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Alcoholic Beverage Control Board.

JOHN COX, Appointee
Anchor Point, Alaska

POSITION STATEMENT: Spoke as an appointee to the Alcoholic Beverage Control Board.

DIANE THOMPSON
Appointee
Anchorage, Alaska

POSITION STATEMENT: Spoke as an appointee to the Alcoholic Beverage Control Board.

ACTION NARRATIVE

8:05:00 AM

CO-CHAIR ZACK FIELDS called the House Labor and Commerce Standing Committee meeting to order at 8:05 a.m. Representatives Fields, Snyder, Schrage, and Nelson were present at the call to order. Representatives Spohnholz, Kaufman, and McCarty arrived as the meeting was in progress.

CONFIRMATION HEARING(S): **Board of Certified Direct Entry Midwives**

8:05:15 AM

CO-CHAIR FIELDS announced that the first order of business would be confirmation hearings in consideration of the governor's appointees to the Board of Certified Direct Entry Midwives.

8:05:35 AM

RACHEL PUGH, Appointee, Board of Certified Direct Entry Midwives, shared that she is a midwife and has been a professional in the field since 2009. She has worked as an educator, certified birth doula, and doula trainer, and is currently a state licensed direct entry midwife and a nationally certified professional midwife. She added that she has worked in birth centers in Anchorage, Alaska, and the Matanuska-Susitna ("Mat-Su") Valley and Soldotna since 2015, and currently owns her own home birth midwifery practice. She also travels to work in rural Alaska communities that have no midwives. She stated that her reason for wanting to serve on the board is that given that birth is a human rights issue, women in Alaska should have the same rights, options, and choices as women in the [contiguous] United States. Ms. Pugh added that she would like to help improve the limited birth options that are available for Alaska women.

MS. PUGH explained that the first recommendation by the 2020 legislative audit of the board, as well as the audit done in 2016, was to implement statutory changes to benefit the public, which she said is exactly what she has been working on since being appointed to the board. The current statutes and regulations are outdated, she opined, and severely limit women's out-of-hospital birth choices and the ability for midwives to practice according to national standards. She shared that she has a letter of support regarding the proposed changes [from the

audit] from the executive director and credentialing specialist at the North American Registry of Midwives. She concluded that the proposed changes would bring Alaska's current statutes and regulations into alignment with national standards.

8:07:43 AM

CO-CHAIR FIELDS asked Ms. Pugh about her proposal to reduce regulations for women delivering babies.

MS. PUGH clarified that she isn't proposing to reduce regulations, but to bring Alaska up to the national standards.

CO-CHAIR FIELDS asked if she could share this proposal with the committee if she has not already.

MS. PUGH responded that she has to submit it first to a licensing specialist, but that she can ensure that it is shared with the committee when it is ready.

8:08:27 AM

BETHEL BELISLE, Appointee, Board of Certified Direct Entry Midwives, said that she is a certified direct entry midwife and obtained her original Alaska license in 1999 through the apprenticeship model. She shared that she is also a certified professional midwife of the national designation and a preceptor for Alaska apprentices as well as a national preceptor. She owns a birth center in Anchorage and offers home births and birth center options to low-risk women. She is active on a number of boards in the field and has served in several different capacities. She noted that she is currently serving on the Board of Certified Direct Enter Midwives and volunteered to be a board member in 2020 to ensure that Alaska women continue to have safe options for childbearing.

MS. BELISLE concluded by sharing that Alaska has always been the leader in the U.S. for the number of women choosing home birth options and she thinks that COVID-19 is responsible for increasing this desire. She added that her goal as a board member is to ensure that women have a right to choose where and with whom they give birth, to continue to make the pathway to becoming a midwife accessible to all, and to continue to promote excellence in all areas of midwifery.

8:10:41 AM

The committee took a brief at-ease.

[8:11:23 AM](#)

CO-CHAIR FIELDS explained that the plan is to hear all appointees first, and then open public testimony for all of the appointees to the board.

[8:11:34 AM](#)

HANNAH ST. GEORGE, Appointee, shared that she is the mother to 10 children and has attended over 30 births. She said that she is currently working on her doula certification, and she also provides post-partum support to new mothers. She concluded that she is currently serving on the Board of Direct Entry Midwives and looks forward to continuing to serve.

[8:12:29 AM](#)

CO-CHAIR FIELDS opened public testimony on the confirmation hearings of Hannah St. George, Bethel Belisle, and Rachel Pugh, appointees to the Board of Certified Direct Entry Midwives.

[8:12:47 AM](#)

JESSICA JOHNSTON, Member, Board of Midwives, shared that she is a certified direct-entry midwife and a home birth practicing midwife in Anchorage, Alaska. She stated that she supports the appointment of Rachel Pugh and Bethel Belisle to the board and opined that Ms. Pugh and Ms. Belisle are "fantastic midwives" that will represent the interest of clients and midwives alike. She echoed that it is important to address the statutes that govern midwifery and bring them up to national standards. By doing this, she said, the impact of midwifery will be heightened, and public health costs will be reduced.

[8:13:39 AM](#)

CO-CHAIR FIELDS, after ascertaining that no one else wished to testify, closed public testimony.

[8:13:58 AM](#)

CO-CHAIR FIELDS asked if midwives typically advise new parents on vaccines and whether children should be vaccinated.

[8:14:20 AM](#)

MS. BELISLE responded that giving vaccines is out of the scope of midwives. Midwives refer parents to the child's pediatric provider.

[The confirmation hearings for Hannah St. George, Bethel Belisle, and Rachel Pugh, appointees to the Board of Certified Direct Entry Midwives, were held over.]

Board of Barbers and Hairdressers

[8:14:43 AM](#)

CO-CHAIR FIELDS announced that the next order of business would be confirmation hearings in consideration of the governor's appointees to the Board of Barbers and Hairdressers.

[8:15:11 AM](#)

MICHELLE MCMULLIN, Appointee, Board of Barbers and Hairdressers, shared that she is currently serving as the chair of the board. She said that she has been in the nail industry for 25 years and is also an esthetician. Her interest in continuing to serve on the board is to continue to help incoming individuals who are interested in the industry as well as people traveling within Alaska to get their licenses and begin working. She noted that the industry has felt the impact of the recent economic downturn and she said she would like to ensure that Alaska gets "back on our feet."

[8:16:19 AM](#)

REPRESENTATIVE MCCARTY asked Ms. McMullin about the economic impact of COVID-19 and what has been done by the board to increase awareness of it, and what the board thinks could be done differently.

MS. MCMULLIN responded that enforcement of policies during COVID-19 came down to the communities. The board gave recommendations for personal protective equipment (PPE) to the various communities but that that is the extent of the board's capabilities. She noted that the mask mandate is difficult to manage when providing facials. She shared that she has lost several clients to COVID-19, and that she has other clients that she has not seen since before "lockdown" because these clients are high risk. She said that her recommendation to hairdressers

and barbers has been to follow the mandates implemented by the communities and the state.

8:18:09 AM

HOLLY ANDREWS, Appointee, Board of Barbers and Hairdressers, said that she has been working in the industry for about five years. She continued that she wants to serve on the board to help improve education and regulation. She shared that the industry in Wasilla, Alaska, is "booming" right now and there are a lot of new people going through the education system to become certified. She explained that she wants to serve on the board to make sure that the industry remains as safe as possible as it continues to grow. She said that there have not been many positive cases of COVID-19 in Wasilla that can be traced back to salons, which is due to the restrictions that the board placed on salons. She said she wants to ensure that safety remains a priority.

8:19:25 AM

CONNIE DOUGHERTY, Appointee, Board of Barbers and Hairdressers, said that she has been a hairdresser in Anchorage since 1998 and currently owns a salon that she opened right in the middle of the COVID-19 pandemic. She shared that she wants to be on the board to help continue to elevate the industry. She added that hairdressers [and barbers] are essential, which she said many people discovered during the pandemic, particularly because hairdressers provide human contact. She concluded that she wants to give back to her community and serve in a different capacity.

8:20:51 AM

KHITSANA SYPAKANPHAY, Appointee, Board of Barbers and Hairdressers, explained that she is an appointee on the piercing, tattoo, and permanent cosmetic coloring seat. She is the owner of a salon in Anchorage and has been licensed as a hairdresser since 2004 and entered the permanent makeup industry in 2016. She stated that she is interested in serving on the board because she said she knows that that permanent makeup industry is new in Alaska, and she wants to make sure that the industry remains safe. She noted that the requirements for apprenticeship in the permanent makeup industry in Alaska are much lower than other states, and she wants to ensure that it is a safe industry in Alaska.

[8:22:02 AM](#)

TINA TAYLOR, Appointee, Board of Barbers and Hairdressers, shared that she is a salon owner and licensed cosmetologist and hair stylist. She said that she is interested in being on the board to improve regulations and safety. She added that she thinks it is important that a person prove their knowledge in a practical capacity before getting licensed.

[8:23:46 AM](#)

REPRESENTATIVE SCHRAGE noted that on Ms. Taylor's application, she mentioned that she has concerns with past decisions made regarding regulations and testing. He asked her to expand upon the concerns that she has.

MS. TAYLOR replied that the board was given notice that a person no longer has to take a practical exam in order to become licensed and she doesn't agree with that change. She said that an aspiring licensee needs to prove that he/she can perform the task and not just be able to pass a written test.

[8:25:18 AM](#)

CO-CHAIR FIELDS opened public testimony for Tina Taylor, Khitsana Sypakanphay, Michelle McMullin, Connie Dougherty, and Holly Andrews, appointees to the Board of Barbers and Hairdressers. After ascertaining that there was no one who wished to testify, he closed public testimony.

[The confirmation hearings Tina Taylor, Khitsana Sypakanphay, Michelle McMullin, Connie Dougherty, and Holly Andrews, appointees to the Board of Barbers and Hairdressers were held over.]

Board of Certified Real Estate Appraisers

[8:25:27 AM](#)

CO-CHAIR FIELDS announced that the next order of business would be confirmation hearings in consideration of the governor's appointees to the Board of Certified Real Estate Appraisers.

[8:25:54 AM](#)

WILLIAM "LEON" MCKEAN, Appointee, Board of Certified Real Estate Appraisers, shared that he is a licensed mortgage lender and has

been in the industry for over 13 years. He has grown his mortgage lending business to two local branches and employees twelve people. He continued that in the 1990s, he was one of the first certified residential home inspectors in Alaska, which, among other aspects of his experience, he said gives him a unique perspective of the mortgage industry. He concluded that he wants to serve on the board to be a part of the changes he foresees happening in the mortgage industry in the future due to factors like technology and government oversight. He added that there is a recognized shortage of appraisers both locally and nationally, which causes delays in delivery and higher costs for consumers. Due to this shortage, he said that he thinks that Alaska needs a better system to recruit and train new appraisers.

[8:28:58 AM](#)

REPRESENTATIVE NELSON said he is glad to see that one of Mr. McKean's credentials on his resume is that he is an Eagle Scout.

[8:29:43 AM](#)

VALERY KUDRYN, Appointee, Board of Certified Real Estate Appraisers, shared that he has lived in Alaska since 2000 and began appraising in Alaska in 2007. He has been working as a certified residential appraiser since 2010. He said that he wants to serve on the board to give back to the profession and he thinks that he brings a number of years of experience to the seat that he hopes to use to promote appraiser independence and increase public confidence in appraisers.

[8:30:56 AM](#)

CO-CHAIR FIELDS opened public testimony for William "Leon" McKean and Valery Kudryn, appointees to the Board of Certified Real Estate Appraisers. After ascertaining that there was no one who wished to testify, he closed public testimony.

[The confirmation hearings for William "Leon" McKean and Valery Kudryn, appointees to the Board of Certified Real Estate Appraisers were held over.]

Alcoholic Beverage Control Board

[8:31:22 AM](#)

CO-CHAIR FIELDS announced that the next order of business would be confirmation hearings in consideration of the governor's appointees to the Alcohol Control Board.

8:31:35 AM

DANA WAKUKIEWICZ, Appointee, Alcohol Control Board, shared that he has been nominated as the industry representative to the board and has been serving in that seat for almost a year. He began in the alcohol industry when he and his business partner opened up King Street Brewing Company in Anchorage about 10 years ago. Through his business, he said, he has met numerous people in the industry, observed operations, and developed an understanding of the ways in which licensees provide service to the public. He shared that his business has been very successful, and this success has allowed him to give back to his community by supporting local nonprofits and donating merchandising space in the brewery to small businesses. He explained that he holds multiple licenses for his business, which has given him an understanding of the complexities of dealing with federal, state, and municipal regulation. He noted that these regulations can be daunting. He pledged that he has and will continue to work with the Alcohol and Marijuana Control Office to ensure non-compliant individuals and businesses are suspended. These operations can not only be a risk to public health, but can tarnish the reputation of the industry as a whole, he said. He concluded that he is honored to be considered and looks forward to continuing to provide service to Alaska in this capacity.

8:35:52 AM

CO-CHAIR FIELDS noted that Mr. Wakukiewicz is also an Eagle Scout.

8:36:06 AM

REPRESENTATIVE MCCARTY asked Mr. Wakukiewicz what he plans to do to ensure that there is no conflict of interest since he is a business owner in the same industry in which he serves on the board.

MR. WAKUKIEWICZ responded that he would refrain from voting on issues that directly impact him. For example, if his license were to come up for renewal and the board was asked to vote on it, he procedurally would be required to abstain from any actions taken at the board level. However, he added, it is

important for an industry member to be part of the board so that the industry perspective is considered, particularly when issues discussed by the board could critically impact licensees.

8:38:16 AM

JOHN COX, Appointee, Alcohol Control Board, said that he is a business owner and has served as the president of the Chamber of Commerce and in various military capacities. He shared that he learned in college that during economic hardship, there are four business types that survive: alcohol, tobacco, firearms, and cosmetics. He shared some information about his business ventures, including his attempt to open a package store which was met with a denial due to current regulations in AS 04. He explained that one of the reasons why he wanted to get involved with the board is due to the difficulty he experienced when he attempted to open a package store. He shared that if an individual wanted to obtain a license to open a package store, then that individual would have to purchase the license from a private sector for anywhere from \$85,000 to \$230,000 depending on the location. He said that this creates a monopoly within the free market. He opined that a license issued by the state should belong to the state, and if a license holder no longer wishes to utilize the license, then the license holder should be required to return the license to the state.

8:41:18 AM

CO-CHAIR SPOHNHOLZ asked Mr. Cox why his application was denied for a license to open a package store.

MR. COX responded that there were too many licenses already issued in the given area. He said that if the owner of the sole package store in the area in which he lives decides to no longer participate in the commerce, the business owner can put the license up for sale. He added that if that license were to be purchased through the state, it would cost \$2,400, but if it were to be purchased from the private sector, he reiterated that it would cost anywhere from \$85,000 to \$230,000. He explained that the reason this creates a monopoly is because the big package stores become the only stores that are able to afford liquor licenses.

CO-CHAIR SPOHNHOLZ asked if he thinks alcohol licenses should be subject to a "use it or lose it" proposition.

MR. COX responded, "Yes."

8:42:39 AM

CO-CHAIR FIELDS asked Mr. Cox if he thinks there should be unlimited licenses available to open package stores.

MR. COX replied no, the number should be based on the community. He said that the number of licenses should not be simply one package store allowed per physical area with that store controlling the price within that specific area.

8:43:20 AM

REPRESENTATIVE MCCARTY asked Mr. Cox whether there are any other industries that require licensure that sell licenses in this way.

MR. COX responded that he understands that the tax industry was also fighting this same issue, but otherwise he doesn't know.

8:43:51 AM

CO-CHAIR SPOHNHOLZ directed the conversation back to the idea of the "use it or lose it" proposition. She mentioned a similar situation in which taxi owners purchased expensive "taxi medallions" and did not want to lose that investment if these taxi owners were not currently in business. She asked what Mr. Cox would he say to current license owners who might have spent a significant amount of money purchasing a license and would have to give it up if there were a regulatory change to a "use it or lose it" model.

MR. COX responded that if a licensee doesn't want to lose that license, but would like to pass down the license to someone else instead of participating in the business themselves, the license owner should have developed a limited liability company (LLC) or corporation prior to applying for the license. He said that this way, that issue could've been addressed during the development of that license.

CO-CHAIR SPOHNHOLZ said that doesn't answer the question. She noted specifically that if an individual currently owns a license but can't take advantage of it for some reason, then under Mr. Cox's proposition these licensees would have to forfeit the license back to the state. She opined that people would be very concerned about losing these expensive licenses. She asked how he would suggest that transition be managed.

MR. COX responded that he would have to discuss that topic with the other board members. He agreed that there should be some compensation to those individuals for a mistake that the state had made.

[8:46:52 AM](#)

CO-CHAIR FIELDS asked Mr. Cox what other experience he has in the industry.

MR. COX responded that his military experience in Veterans of Foreign Wars involved him in the oversight and resale of liquor.

[8:47:29 AM](#)

REPRESENTATIVE KAUFMAN said that he appreciates Mr. Cox's thoughts on this complicated topic.

MR. COX responded that these are issues that have to be addressed.

[8:48:07 AM](#)

REPRESENTATIVE SCHRAGE shared that he is confused about the idea of distributing sold licenses back to the public after they have been returned to the state. He asked what the process might look like for individuals who would like to purchase a license, and how the state might determine who gets those licenses. He shared his understanding that the demand for licenses will still outweigh the supply and asked if Alaska would end up in the same situation that it is in now even if the licenses were returned to the state.

MR. COX suggested opening up a lottery to give everyone who would like to participate a fair and equal chance at obtaining a license.

[8:50:16 AM](#)

DIANE THOMPSON, Appointee, Alcohol Control Board, shared that she is an owner and manager of Firetap Ale House in South Anchorage, which operates under a beverage dispensary license with a restaurant eating designation and a package store license. She stated that she has had 35 years of experience working with AS 04 applications and transfers and said she thinks she can offer practical insight from the perspective of

an owner and operator in the restaurant and alcohol industry. She also currently serves as president of the Alaska Hospitality Retailers Board, which has been active in supporting the municipality of Anchorage during the COVID-19 pandemic and helping to secure and distribute government aid and funding. She concluded that she is looking forward to serving on the board.

[8:52:21 AM](#)

REPRESENTATIVE MCCARTY asked Ms. Thompson what the board can do to encourage people to drink responsibly.

MS. THOMPSON replied that the board has always educated the public on the safe consumption of alcohol. She stated her intent to continue to ensure that employees are adequately trained and certified to safely serve alcohol while individuals who are not operating safely are "weeded out."

[8:54:17 AM](#)

CO-CHAIR FIELDS opened public testimony on Diane Thompson, John Cox, and Dana Wakukiewicz, appointees to the Alcohol Control Board. After ascertaining that there was no one who wished to testify, he closed public testimony.

[The confirmation hearings for Diane Thompson, John Cox, and Dana Wakukiewicz, appointees to the Alcohol Control Board were held over.]

[8:54:37 AM](#)

The committee took a brief at-ease.

[8:54:59 AM](#)

CO-CHAIR FIELDS announced that that the committee had completed its business.

[8:55:15 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 8:55 a.m.